

M&G REAL ESTATE ACQUIRES TWO SWEDISH LOGISTICS ASSETS IN KEY LAST MILE HUBS

*Acquisitions mark a combined €64 million investment in the Nordic last-mile
logistics segment*

LONDON, 9 January 2020 - M&G Real Estate, a leading solutions provider for global real estate investors, has acquired two prime logistics assets, Myrfast in Segeltorp, marking a combined €64 million investment into the Nordics logistics sector. Both acquisitions were made on behalf of the M&G European Property Fund managed by David Jackson and Simon Ellis.

The assets are based in the established logistics and warehousing submarkets of Segeltorp and Brunna, both on the highways connecting to Stockholm city centre. Myrfast, is a 15,060 sq m building, acquired off market for €46 million. The building is 100 per cent let to a single tenant, Postnord and is located close to the entrance and exit to the new Stockholm ring road, due for completion in 2026.

Lyckobrunnen is a new development, well located to the northwest of Stockholm close to the E18, E4 highways and Arlanda Airport. The building, which completed in 2019, has been constructed to BREEAM Excellent sustainability standards and is multi-let to Swedish trade, real estate and investment company Orvelin Group, luxury architectural and interior design materials group Cosentino and Engelmanns AB, a Swedish cheese wholesaler.

David Jackson comments: “It is rare to find these kind of assets so close to the inner city of Stockholm and especially with an investment grade tenant such as PostNord with a long lease. Both assets are positioned in very strategic locations to service the increasing demand for last mile supply chain capability as a result of growth in e-commerce and consumer expectations for ever faster delivery times in Sweden.

“We still see logistics portfolios trading at a premium therefore our strategy is to continue buying these assets one by one to achieve higher returns for our investors. We are keen to identify further opportunities in this segment across the Nordic region in all relevant strategic logistics locations.

Marc Reijnen, Heads of Investment and Asset Management at M&G Real Estate, adds:

“The logistics sector continues to undergo structural improvement as a result of the well documented positive fundamentals affecting the sector, and we have continued to increase our allocation to the sector across Europe. In Sweden, take up for logistics space continues to outstrip supply, with strong domestic demand for e-commerce but also an international export market in high tech and manufacturing industries. These strong fundamentals should support positive rental growth over the medium term.’

-ENDS-

For further information please contact:

Rhys Jones or Danielle Dove (Redwood Consulting for M&G Real Estate)

Tel: 020 7828 5553

Email: mandg@redwoodconsulting.co.uk

Notes to Editors:

About M&G plc

M&G plc is a leading savings and investments business which was formed in 2017 through the merger of Prudential plc's UK and Europe savings and insurance operation and M&G, its wholly-owned international investment manager. In March 2018, Prudential plc announced its intention to demerge the company with a premium listing on the London Stock Exchange. The demerger became effective on 21 October 2019, when M&G's shares were admitted to trading on the London Stock Exchange. As an independent company, M&G plc has a single corporate identity and continues with two customer-facing brands; Prudential for savings and insurance customers in the UK and Europe and for asset management in South Africa and M&G Investments for asset management clients globally.

For nearly nine decades M&G Investments has been helping its customers to prosper by putting investments to work, which in turn creates jobs, homes and vital infrastructure in the real economy. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate. Its investment solutions span equities, fixed income, multi asset, cash, private debt, infrastructure and real estate. M&G recognises the importance of responsible investing and is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and is a member of the Climate Bonds Initiative Partners Programme.

Its £33.5 billion property arm (as at 30 June 2019 including cash), M&G Real Estate, is a leading financial solutions provider for global real estate investors, has a sector leading approach to responsible property management and is committed to continuously improving the sustainability performance of its funds.

For more information, please visit: <https://global.mandg.com/>

This press release reflects the authors' present opinions reflecting current market conditions; are subject to change without notice; and involve a number of assumptions which may not prove valid. It has been written for informational purposes only and should not be considered as investment advice or as a recommendation of any particular security, strategy or investment product. Past performance is not a guide to future performance.



Issued by M&G Investment Management Limited (unless stated otherwise), registered in England and Wales under number 936683, registered office 10 Fenchurch Avenue, London EC3M 5AG. M&G Investment Management Limited is authorised and regulated by the Financial Conduct Authority. M&G Real Estate Limited is registered in England and Wales under number 3852763 and is not authorised or regulated by the Financial Conduct Authority. M&G Real Estate Limited forms part of the M&G Group of companies.

M&G Real Estate is a business name of M&G Investment Management Limited and is used by other companies within the Prudential Group. M&G Investment Management Limited is registered in England and Wales under number 936683 with its registered office at 10 Fenchurch Avenue, London EC3M 5AG. M&G Investment Management Limited is authorised and regulated by the Financial Conduct Authority. M&G Real Estate Limited is registered in England and Wales under number 3852763 with its registered office at 10 Fenchurch Avenue, London EC3M 5AG.